



Australian Bureau of Statistics

1233.0.55.001 - Information Paper: Changes on 1 January 2007 to Statistical Codes in the AHECC and the Customs Tariff, 2007

Latest ISSUE Released at 11:30 AM (CANBERRA TIME) 17/11/2006 First Issue

Summary

Main Features

NOTE: Changes on 1 January 2007 to Statistical Codes in the AHECC and the Customs Tariff, Information Paper (New Data Cubes Table 3 and 4 only).

The two extra tables for this product advertised with the original release will be updated to also include correspondences between the AHECC and Customs Tariff and the following related classifications: Standard International Trade Classification Revision 3, Broad Economic Categories, Balance of Payments Broad Economic Categories (Customs Tariff only), and Australian and New Zealand Standard Industrial Classification, 1993.

Changes on 1 January 2007 to Statistical Codes in the Export and Import Classifications

INTRODUCTION

This information paper announces the release of the export and import statistical codes that apply from 1 January 2007 as a result of an update to the international Harmonized Commodity Description and Coding System (HS).

It provides a brief background to the changes, and describes how to electronically access the 2007 Australian Harmonized Export Commodity Classification (AHECC), and the 2007 Combined Australian Customs Tariff Nomenclature and Statistical Classification (Customs Tariff). It also provides correspondences between the codes of the current and the updated versions of the AHECC and the Customs Tariff, and correspondences between the 2007 versions of the AHECC and the Customs Tariff, and related classifications.

BACKGROUND

The HS is a broad classification system used to classify internationally traded goods as they enter or leave a country. It was developed by, and is maintained by, the World Customs Organization (WCO). First introduced on 1 January 1988, it has been adopted by most trading nations, including Australia. It enables information on traded goods to be compared internationally.

Australia expands the six digit international HS to produce separate export and import classifications. These classifications are the AHECC and the Customs Tariff.

- The AHECC adds a two digit statistical code to the six-digit international HS to produce an eight-digit export statistical code, to provide a finer level of detail to meet Australian statistical requirements. The statistical codes are maintained by the Australian Bureau of Statistics (ABS).
- The Customs Tariff adds two sets of two digit codes to the six digit international HS. A seventh and eighth digit are added for customs purposes to differentiate between imported goods grouped under a single six-digit HS code. Such differentiation is generally driven by the need to impose varying import duty rates on similar goods. This extension to the HS is maintained by the Australian Customs Service. A ninth and tenth digit are added for statistical purposes, to provide a finer level of detail. The statistical codes are maintained by the ABS.

The AHECC and Customs Tariff are designed for use by exporters, importers, customs brokers and freight forwarders in the classification of goods when providing declarations to the Australian Customs Service, and to assist users interpret export and import statistics published by the ABS.

UPDATES TO THE CLASSIFICATIONS

The HS is reviewed by the WCO on a systematic basis to ensure it: reflects newly developed commodities and changes in the types of commodities traded; meets administrative requirements (e.g. for the General Agreement on Tariffs and Trade); and minimises the burden on data providers by requesting only the level of detail that is administratively and statistically relevant. Major changes are normally implemented only every five years, and HS 2007 is the fourth major revision of the HS.

The latest issues of the AHECC and the Customs Tariff incorporating HS 2007 become operative on 1 January 2007.

The revision of the AHECC resulted in the creation of 1036 new eight-digit statistical codes and the deletion of 826 eight-digit statistical codes. In the Customs Tariff, about 1400 new ten-digit statistical codes were created and about 1100 ten-digit statistical codes were deleted. Approximately 60% of the AHECC and Customs Tariff statistical codes being deleted have a direct link to one new statistical code. This means that a time series can be produced for these codes by using the correspondences to link data from the old and new statistical codes.

In some cases, codes that have been deleted have been replaced by multiple codes, which means that a time series can be produced by aggregating the new codes that correspond to the old codes. In other cases, codes that have been deleted have been combined with other codes to form new codes. In these cases a time series can be maintained by aggregating the old codes that correspond to the new ones.

Between the major HS reviews, the ABS implements minor updates to the statistical codes of the AHECC and Customs Tariff on 1 January and 1 July each year. Statistical codes of the Customs Tariff can also be up-dated throughout the year as a result of changes made by the Australian Customs Service for administrative purposes.

ACCESSING THE AHECC

The 2007 AHECC is only available in electronic format. The classification can be accessed in two ways from the ABS web site <www.abs.gov.au>:

- a. select Statistics, By Catalogue Number, 12. Classifications and work manuals, 1233.0 or
- b. select Themes, Economy - Foreign Trade, Using Foreign Trade Statistics, Classification.

The AHECC consists of an introduction, abbreviations, summary of the classification, key of changes, section and chapter notes, and classification codes.

ACCESSING THE CUSTOMS TARIFF

An electronic version of the Customs Tariff is available from the Australian Customs Service website www.customs.gov.au select **import export** then select **customs tariff**. The Australian Customs Service also provides (for a fee) a hard copy of the Customs Tariff.

CORRESPONDENCES

The AHECC 2006 to 2007 and Customs Tariff 2006 to 2007 correspondences, as well as the reverse (2007 to 2006) correspondences are available in the 'Details tab' of this paper. The correspondences show which 2006 codes have been deleted (closed) and the 2007 replacement code, and vice versa. If a cell is blank it indicates that the code above is moving to, or coming from, a number of statistical codes. In the example below, AHECC 2006 statistical code 03019903 is being replaced by three AHECC 2007 statistical codes.

AHECC 2006	AHECC 2007
01059200	01059401
01059300	01059402
02082000	02089045
03019903	03019405
	03019507
	03019909
03026900	03026705
	03026807
	03026909

If an old code has more than one new statistical code, or vice versa, users should look at the detailed classifications to determine which code(s) is suitable for their purposes.

In December 2006, the 'Details tab' of this paper will be updated to also include correspondences between the AHECC and Customs Tariff and the following related classifications:

- Standard International Trade Classification Revision 3,
- Broad Economic Categories,
- Balance of Payments Broad Economic Categories (Customs Tariff only), and
- Australian and New Zealand Standard Industrial Classification, 1993.

Clients will be advised when this additional information is available through the Release Advice Notice on the ABS website.

TIME SERIES

With the introduction of HS 2007 there will be a break in some merchandise trade export and import series. As changes to the HS are significant, it is not practical to maintain time series of HS-based merchandise trade statistics. This is the normal practice for managing changes to the Customs Tariff and AHECC. However, the correspondences mentioned above between the 2006 and 2007 statistical codes can assist users of these detailed statistics.

CONFIDENTIALITY

International merchandise trade statistics may be confidentialised by the ABS to prevent the identification of the activities of individual exporters and importers. This occurs when a confidentiality review is requested by the individual or organisation concerned and the review determines that the data would otherwise be identifiable.

The ABS is assessing existing confidentiality restrictions as part of the HS 2007 review. Confidentiality that applies to current statistical codes will be transferred to the relevant 2007 AHECC and Customs Tariff statistical codes. Details of confidentiality restrictions are advised each month in **International Merchandise Trade: Confidential Commodities List** (cat. no. 5372.0.55.001). Restrictions applying to merchandise trade data from the January 2007 reference month are scheduled for release on 8 February 2007. For details, please contact the Confidentiality Manager on 02 6252 5409.

FURTHER INFORMATION

If you have any difficulties accessing the AHECC or the correspondences from the ABS web site please use the contact information shown below. If you require further information about the changes, please:

- visit the ABS website and select the Foreign Trade Theme Page; or
- write, email or telephone:

HS 2007 Review Team
Balance of Payments and International Trade Section
Australian Bureau of Statistics
PO Box 10
BELCONNEN ACT 2616

ph: 02 6252 5409

email: international.trade@abs.gov.au

About this Release

This information paper announces the release of the Australian Harmonized Export Commodity Classification (AHECC) and the Customs Tariff statistical codes that apply from 1 January 2007 as a the result of an update to the international harmonized Commodity Description and Coding System (HS). It provides a brief background to the changes and describes how to access the classifications electronically and is being released in association with the AHECC cat no. 1233.0 issue.

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